

**NEWS from**

# **DENNIS HANSBERGER**

**San Bernardino County Supervisor, Third District**



**For Immediate Release:  
Date: April 9, 2008**

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## **Hansberger Seeks Relief for Arrowhead Manor Water Company in Cedar Glen**

On Wednesday, April 16, 2008, Supervisor Dennis Hansberger will testify before the Assembly Committee of Local Government, seeking support of Assembly Bill 2680, introduced by Assemblyman Anthony Adams. This bill, if enacted, would provide for financial relief from payments, penalties and interest accrued by the prior owner of the privately owned Arrowhead Manor Water Company, for a loan that was made under the California Safe Water Drinking Water Bond Law of 1976, through the Department of Water Resources (DWR).

Several years ago, the State forced the privately owned Arrowhead Manor Water Company into court receivership. The County of San Bernardino, in an effort to continue to provide essential water services to the community of Cedar Glen, as a part of the disaster recovery process following the devastating wildfires of 2003, formed a Special District (CSA 70-CG) and entered into negotiations with the court receiver to purchase the defunct water company. The County has assumed daily operation of the water system under a service agreement with the Court-appointed receiver and is working on rebuilding the water system with State grants and a loan from the County's Redevelopment Agency.

The prior owner failed to make timely loan payments on the DWR loan. Therefore, the State has added penalties and interest to the loan, which has increased the amount due from the original \$900,000 loan amount to approximately \$1.6 million.

Supervisor Dennis Hansberger, who met with State DWR staff officials in Sacramento last year, and was successful in getting the State office to reduce a portion of the outstanding loan balance, believes that the County should not be responsible for assuming any of the loan balance since it was an obligation of the former owner.

"It is the County's position that the obligation to repay the loan was that of the prior owner, not that of the property owners or the County," said Supervisor Dennis Hansberger. "The County stepped in to maintain the water system and ensure the continuation of services to the community. We would like to focus our money and attention on rebuilding the water system and the roads in the community; therefore, this

legislation proposed by Assemblyman Adams would provide the County with the financial relief necessary to focus strictly on providing those services.”

The Assembly Committee on Local Government will hold their hearing on Wednesday, April 16, 2008 at 1:30 p.m.

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